

DIRECTIVE

WELFARE-TO-WORK

Number: WD99-1

Date: January 26, 1999

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TO: SERVICE DELIVERY AREA ADMINISTRATORS
PRIVATE INDUSTRY COUNCIL CHAIRPERSONS
COUNTY WELFARE DEPARTMENT DIRECTORS
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
EDD EXECUTIVE STAFF
WORKFORCE DEVELOPMENT BRANCH STAFF

SUBJECT: CONFIDENTIAL INFORMATION

EXECUTIVE SUMMARY:

Purpose:

This directive provides policy relating to the security of confidential information obtained from any state or county agency and used for operating the Welfare-to-Work (WtW) Grant Program. It also provides instructions for requesting Employment Development Department (EDD) information for the purpose of local WtW Grant Program operation.

Scope:

This directive applies to all EDD administered programs funded under the WtW Grant Program. This directive must be implemented by the subrecipients of these funds.

Effective Date:

This directive is effective immediately.

REFERENCES:

- Section 7 of the Privacy Act of 1974 (5 U.S.C. sec. 552a)
- California Civil Code Section 1798 et seq.
- California Penal Code Section 502
- California Unemployment Insurance (UI) Code Sections 1094, 1095, 2111, 15076, and 15077
- EDD Information Practices Handbook Sections 10-2300 through 10-2315 and 10-2350 (cont. 8b)
- EDD Field Operations Directive (FOD) 98-62A
- California Welfare and Institution Code Section 10850

STATE-IMPOSED REQUIREMENTS:

This directive contains some state-imposed requirements. These requirements are indicated by ***bold, italic*** type.

FILING INSTRUCTIONS:

This directive finalizes draft directive WDD-2, issued for comment on December 16, 1998. Retain this directive until further notice.

BACKGROUND:

The federal Privacy Act of 1974 and related state law and regulations require the proper disclosure of individually identifiable records. All state and county information is confidential when it identifies an individual or an employing unit. Confidential information requires special precautions to protect it from loss, unauthorized use, access, disclosure, modification, and destruction.

Subrecipients may use EDD confidential information to determine WtW Grant Program eligibility and to evaluate WtW grant projects at the local level. The EDD is responsible for providing this information. However, before releasing confidential information, EDD must ensure that WtW grant subrecipients, and their employees and subcontractors with authorized access to this information, are aware of and comply with the requirements established by law and Department policy.

POLICY AND PROCEDURES:

Definitions:

Employing Unit

See California Unemployment Insurance Code Section 135

Recipient/Grantee

The State of California is the recipient or grantee of WtW grant funds from the U.S. Department of Labor

Subrecipient/Subgrantee

Any agency, private or public, which receives WtW grant funds directly from the State to operate the WtW Grant Program.

Service Provider

A lower-tier subrecipient. Any agency, public or private, contracted by and receiving funds from a WtW grant subrecipient for the purpose of providing WtW grant services.

Customer (in the context of this directive)

The subrecipient.

Preparer

The individual, department, or service provider requesting EDD information as an agent of the subrecipient/customer.

Confidentiality requirements, as defined in the general provisions of Program Year (PY) 1998-99 WtW Grant Program subgrant agreements and any subsequent WtW grant contracts, read as follows:

The State of California (State) and the Subgrantee will exchange various kinds of information pursuant to this agreement. That information will include data, applications, program files, and databases. These data and information are confidential when they define an individual or an employing unit. Confidential information requires special precautions to protect it from unauthorized use, access, disclosure, modification, and destruction. The sources of information may include, but are not limited to, the Employment Development Department, the California Department of Social Services, the California Department of Education, the County Welfare Department(s), the County IV-D Directors Office of Child Support, the Office of the District Attorney, the California Department of Mental Health, the California Office of Community Colleges, and the Department of Alcohol and Drug Programs.

The Subgrantor and Subgrantee agree that:

- a. Each party shall keep all information that is exchanged between them in the strictest confidence and make such information available to their own employees only on a "need-to-know" basis.***
- b. Each party shall provide written instructions to all of its employees with access to information provided by the other party of the confidential nature of the information and of the penalties for unauthorized use or disclosure found in section 1798.55 of the Civil Code, section 502 of the Penal Code, section 2111 of the Unemployment Insurance Code, section 10850 of the Welfare and Institutions Code and other applicable local, State and federal laws.***
- c. Each party shall (where it is appropriate) store and process information in an electronic format in such a way that unauthorized persons cannot reasonably retrieve the information by means of a computer, remote terminal, or other means.***
- d. Each party shall promptly return to the other party confidential information when its use ends or destroy the confidential information utilizing an approved method of destroying confidential information: shredding, burning, or certified or witnessed destruction. Magnetic media are to be degaussed or returned to the other party.***
- e. If the Subgrantor or Subgrantee enters into an agreement with a third party to provide Welfare-to-Work grant services, the Subgrantor or Subgrantee agrees to include these data, security and confidentiality requirements in the agreement with that third party. In no event shall said information be disclosed to any individual outside of that third***

party's authorized staff, subcontractor(s), service providers, or employees.

- f. Each party shall designate an employee who shall be responsible for overall security and confidentiality of its data and information systems and each party shall notify the other of any changes in that designation. As of this date, the following are those individuals:***

FOR THE SUBGRANTOR:	FOR THE SUBGRANTEE:
<i>Name: Ms. Janet Supriano</i>	<i>Name:</i>
<i>Title: Program Manager</i>	<i>Title:</i>
<i>Address: EDD, P.O. Box 826880, MIC 69-1</i>	<i>Address:</i>
<i>Sacramento, CA 94280-0001</i>	
<i>Telephone No. (916) 657-3545</i>	<i>Telephone No:</i>
<i>Fax No. (916) 653-2467</i>	<i>Fax No.:</i>

A signed WtW grant agreement/contract on file with the Job Training Partnership Division (JTPD) constitutes your commitment to uphold these confidentiality requirements.

METHODS OF REQUESTING EDD INFORMATION

Structural changes in local EDD operations, such as increasing one-stop co-locations and the consolidation of UI operations into regional centers, require a system for requesting and receiving confidential information that will meet local needs and maintain local flexibility.

Information needed from EDD for the operation of the WtW Grant Program may be obtained most expediently in the following ways:

- The WtW grant applicant may request his/her EDD information from Job Service Division (JSD) staff at the local EDD office or one-stop location. Depending on individual site policy, JSD may either provide the applicant's information directly or refer the applicant to UI. There is no cost to the applicant in either case.
- The WtW grant applicant may telephone a UI call center and request his/her EDD information. The call center will process the request and mail information to the applicant. The EDD absorbs associated costs.
- The subrecipient or its authorized service provider may request eligibility information from JSD in accordance with a signed memoranda of understanding (MOU) between the subrecipient and JSD management at the local EDD office or one-stop location. All MOUs between the subrecipient and JSD must include the following specific language regarding access to UI information: "EDD will access the automated system and provide the required unemployment insurance claim records information to the service provider." The required language, approved by the Central Office UI Division, is provided to local Job Service managers by the Central Office JSD.

When EDD information is needed for a large number of individuals, the following methods may be used:

- **Abstract Request Process (ABS):** The subrecipient or its authorized service provider completes a DE 8720 or DE 8720A according to instructions (Attachments 3 and 4) and mails to the Inventory Control Unit address listed on each form. The requests are processed by EDD on Tuesdays and Thursdays. The completed requests are mailed by EDD to the subrecipient's information security designee on Wednesdays and Fridays. The EDD absorbs associated costs.
- The subrecipient or its authorized service provider mails or faxes a list of the UI call center. The request must be on letterhead with an authorized signature. Once the call center has validated the source of the request, the call center processes the request and mails or faxes Pay Input <PF4> screen prints (or completed request form) to the subrecipient. The EDD absorbs associated costs.

Requests for Information Other Than What Is Used for Eligibility Determination

- Information may be needed for such activities as planning, program evaluation, participant follow-up, etc. On agency letterhead, the subrecipient/service provider requests the information and describes the business need for that information directly to the JTPD Information Officer. The subrecipient is responsible for processing costs and will be billed by the processor.

In order to request EDD information using the ABS process, each subrecipient agency must have an assigned customer code. This customer code will enable EDD to identify the agency originating the request and the staff person to whom requested data will be mailed. The customer code must be used on all information request forms.

To obtain a customer code:

- ***Return the signed PY 1998-99 WtW Grant Program Subgrant Agreement to JTPD.***
- ***Provide JTPD's Information Officer the name, address, and phone number of the individual designated responsible for receiving EDD information and for information security within your agency (Attachment 1).***

The JTPD Information Officer will mail the customer code to this designee. He or she will be the first point of contact for information and/or security issues. Additionally, all requested EDD information will be mailed solely to this person.

Suggestion: If more than one subrecipient or service provider staff is authorized to request EDD information under one customer code, it may be helpful to assign individual preparer codes to these persons. Since all requested EDD information will

be mailed to the information security designee, preparer codes will facilitate distribution of the information within your organization. Spaces are available on the DE 8720/8720A for entering a preparer code.

ACTION:

- Bring this directive to the attention of all affected staff and service providers.
- Submit a signed PY 1998-99 WtW Grant Program Subgrant Agreement.
- Following the completion instructions, use Attachments 3 and 4 for requesting EDD information through the ABS process. Agencies may create their own forms incorporating the elements on a DE 8720/8720A. The JTPD's Information Officer will provide another set of these forms with the assigned customer code pre-entered. These forms may be used as masters or additional forms will be mailed upon request.
- Designate an employee who will be responsible for your information security and for receiving requested EDD information. If this information was not included with the signed PY 1998-99 subgrant, use Attachment 1 to fax the name, address, and phone number of the designee to: Janet Supriano, JTPD Information Officer, at 916-653-2467 or 916-657-0055. Please notify Ms. Supriano of any changes in designee information.
- Provide written instructions to all staff and service provider employees with access to state or county confidential information that this information is protected by law and that there are penalties for unauthorized use. If desired, Attachment 2 may be used as the written instructions.

INQUIRIES:

You may address questions concerning this directive to Janet Supriano at (916) 657-3545.

/S/ BILL BURKE

Assistant Deputy Director

Attachments available on Internet:

1. Designation of Information Security Staff
2. Confidentiality Statement
3. DE 8720 Request for Wage, Claim and Address Information
4. DE 8720A Request for Wage Information

Attachments 3 and 4 are also available as Microsoft Word (v. Office 97) fill-in forms in the [Resource Information Center](#), Reference Documents.

DESIGNATION OF INFORMATION SECURITY STAFF

The undersigned staff is designated responsible for receiving EDD information and for maintaining the confidentiality and security of all state/county confidential information obtained for the operation of WtW grant programs:

Name	Please print	Title	
Address	Address where EDD information is to be mailed.		
Phone Number		Fax Number	
Designee Signature			Date

SDA/Agency Name	
Authorized Signature	

FAX THIS COMPLETED FORM TO:

Janet Supriano, JTPD Information Officer
 FAX (916) 653-2467 or (916) 657-0055

If you prefer, mail this form to:
 Job Training Partnership Division
 P.O. Box 826880, MIC 69-1, Attn: Janet Supriano
 Sacramento, CA, 94280-0001

Your customer code will be mailed to the designee listed above.

CONFIDENTIALITY STATEMENT

All state or county information is confidential when it identifies an individual or an employing unit. Confidential information provided to your agency by any state or county entity is protected by law, regulation, and policy. Information security is strictly enforced. If you violate these provisions, you may be subject to disciplinary, civil, and/or criminal action. Protecting confidential information is in the public interest, the state's interest, and your own personal interest.

You agree to protect the following types of information:

- Claimant information
- Applicant information
- Employer information
- Information about how automated systems operate
- How your agency safeguards its information
- Any other proprietary information

You agree to protect confidential information by:

- Accessing or modifying information only for the purpose of performing official duties.
- Never accessing information for curiosity or personal reasons.
- Never showing or discussing confidential information to or with anyone who does not have the need to know.
- Placing confidential information only in approved locations.
- Never removing confidential information from your work site without authorization.

You have a responsibility to know whether information is protected. If you have any questions regarding whether particular information is confidential, check with your department's/agency's Information Security Officer.

Unauthorized access, use, modification, or disclosure of confidential information is a crime under state and federal laws, including but not limited to Section 1798.55 of the California Civil Code, Section 502 of the California Penal Code, and Section 2111 of the California UI Code. The penalties for unauthorized access, use, modification, or disclosure may include any or all of the following:

- Salary reduction and/or demotion
- Loss of employment
- Criminal action
- Civil action

You are reminded that these guidelines are designed to protect everyone's right to privacy, including your own.